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April 3, 2009

Ms. Mary Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

Re: ANPR to 12 CFR Part 704

Dear Ms. Rupp

On behalf of the management, board and staff of the KEMBA Louisville Credit Union, I would like to take this opportunity to comment on the ANPR to 12 CFR Part 704.

KEMBA is a \$38 million dollar state chartered credit union serving approximately 6,000 members in the states of Kentucky, Illinois and Indiana. We serve employees of the Kroger Company and their families. We were chartered in 1934, celebrating 75 years of credit union service to our members. We are also a long term member of Kentucky Corporate, which has provided many services to our credit union over many years. We use our corporate credit union for services that would be very costly for us if we had to pursue on our own.

Kentucky Corporate provides us with settlement services, ACH receipt and origination, wire services, investments through corporate and SimpliCD. Kentucky Corporate has provided many educational seminars as well as staff and board BSA training. Settlement services for all of our daily activity is also provided such as check collection, cash settlement with the Fed, insurance and payroll as well.

These are some of the many ways that Kentucky Corporate has made operating our credit union safe and efficient for our members as well as our staff. Relationships have developed with a very professional staff who is quick to respond to the needs in our daily

operations. The efficiencies that our corporate pass on to us in reduced overhead is very important to our bottom line. I would like to elaborate on some of these services.

Wire transfers are done through corporate at a cost of only \$2.00 for domestic, slightly higher for international. Corporate staff assists with information in completing some of these wires.

Fifth Third Bank ATMs are available at no cost to our members as a result of negotiations with Kentucky Corporate. This service alone saves our members thousands of dollars in ATM fees.

BSA training by corporate staff is a must have as an annual review for staff and our board. This training is provided at no cost.

Educational seminars with economic speakers is provided annually, which assists us in budget planning.

Kentucky Corporate has been operated in a fiscally sound manner and has provided many services that if contracted by credit unions individually would result in more cost to our industry. A local presence of corporate services is important to KEMBA Louisville Credit Union.

KEMBA Louisville Credit Union had a capital position in excess of 20% at year end, 2008. We are a shining example that shows bigger is not always better. Kentucky Corporate should be allowed to stand on it's own versus being consolidated into a regional corporate as some would propose. A local presence is important to Kentucky credit unions and the services we have come to expect from our corporate would be hard to replace.

Respectfully Submitted;



Donald G. Diebold Jr.

President KEMBA Louisville Credit Union